Rights of Banks’ Customers

Banking Codes and Standards Board of India
Dear Readers,

I am happy to present “Rights of Banks’ Customers” in the form of Pictorial booklet. This is a small effort from BCSBI towards Banks’ customers to make them aware about banking services and their rights. About 25 crore bank accounts have been opened so far under Pradhan Mantri Jan Dhan Yojana. It is all the more important for such customers to know about different services being provided by the banks.

Technological development has made banking transactions through ATM, Internet banking, etc. very easy, but at the same time, chances of risk and fraud have also increased. It is imperative that customers should be aware about precautions to be taken to avoid frauds.

This Pictorial booklet has been published with the above points in view. I hope this booklet will be useful for readers and member banks will publicize this as part of the financial inclusion programme.

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Index of contents

1. Opening of Basic Savings Bank Deposit (BSBD)–small account, is very easy
2. Special conditions of deposit accounts
3. Condition of Minimum balance in Savings Bank account
4. Nomination in deposit accounts
5. Deposit of cheque in Savings Bank account
6. Activating the account which has become dormant/inoperative
7. Exchange of torn/soiled notes in Bank
8. Premature withdrawal of Fixed Deposits or Loan against Fixed Deposits
9. Premature closure of Fixed Deposits in case of account holder’s death
10. Settlement of claims in respect of deceased account holders
11. Issue of RuPay Card with Basic Savings Bank Deposit (BSBD) account
12. Receiving SMS about debit from account but no cash dispensed from ATM
13. Informing Bank about loss of debit/RuPay card
14. Transferring money from one place to another within the bank
15. Process of lodging complaints/Grievance redressal system
16. Single window facility for Senior Citizens/Physically handicapped persons
17. Right to privacy and confidentiality
18. Mis-selling of insurance policy to customer
19. Getting help from Business correspondent/facilitator in banking
Vinita, you are looking so happy. Where are you coming from?

Shobha didi, I went to the bank near temple and got my account opened, that’s why I am so happy.

It’s so difficult. Whom did you approach for this?

No, it’s so simple. Bank staff took a photograph and signature of mine on a form. He also told me that this account has some conditions regarding number/amount of withdrawals in a month.

If account opening is so simple then I will also get my account opened today. But I don’t know how to sign.

I heard the bank staff saying that account can be opened by thumb impression also.

Thank you for telling me the same. Now I can open an account and deposit money for my child’s education.

Note: BSBD-small account can be opened with a photograph and signature or thumb impression on account opening form but it has some conditions regarding number/amount of withdrawals in a month.
Do you all know about Bank's Fixed Deposits? Pawan, you say something.

We can deposit money ranging from one year to ten years in this and we get higher interest rate than Savings Bank account.

Mohit, do you know anything about this?

It can be opened in names of one to three persons.

How many of you have opened this account?

Sir, me

Did anyone tell you about special conditions related to Fixed Deposits?

Whenever you open Fixed Deposits, ask about its special conditions, so that you get to know full information regarding Fixed Deposits.

No ......

Note: It is important for the banks to inform the customers about the special conditions while opening deposit accounts.
3. Condition of Minimum balance in Savings Bank account

Nowadays everything is so costly. I don’t know how to cope with this.

Yes, it is true, but as soon as I get my salary I deposit Rs 500 in my account so that I can withdraw when needed.

Yes Vimla, even if there is no balance in BSBD account, then also the account remains active.

If I want to withdraw full amount, will the bank allow it?

I am also thinking of opening such account so that whenever I have money I can deposit some amount and withdraw when needed.

Then don’t delay. Open your account today itself in the Bank.

Note: If there is no balance in BSBD account, then also account remains active without any penalty.
Sir, I am going to the bank for opening account.

That’s very nice. But do remember to make nomination in your account.

Sir, what is the benefit of doing that?

My father had opened Savings Bank account/Fixed Deposits. But he had not done the nomination of my mother or any of his children.

After my father’s death, my mother had to face problems in withdrawal of my father’s money deposited in the Bank. If you make nomination in the deposit accounts, then in case of any mishap, your wife or children will not have any problem in withdrawing money deposited by you in the bank.

Sir, thanks for the advice. I will surely make nomination while opening account.

Note: Nomination in Savings Bank account / Fixed Deposits saves nominee from problems of withdrawal of money in future, after the death of account holder(s).
Sir, I have to deposit my daughter's scholarship cheque in her savings account.

Do you know your daughter's Savings Bank account number?

I have brought her passbook

Fill up this form and enclose the cheque and you can drop it in that box or give it on that counter and he will give you acknowledgement also. Don't forget to write your daughter's Savings Bank account number and phone number at the back side of cheque.

When will the cheque amount get credited in my daughter's account?

In two days. If your daughter needs money, she can withdraw it in 2-3 days.

Thank you Sir.

Note: Before depositing your cheque or presenting at the counter, do write your account number and mobile number or depositor's mobile number at the back of the cheque.
You know, Gas agency people are asking us to furnish Savings Bank account details for crediting gas subsidy directly in our account.

Yes, I know that. My husband had a Savings Bank account for many years but he never transacted in that, then it became inoperative.

Then what Savings Bank account details did you give to gas agency?

My husband took his passbook to the bank branch where he had account. Bank staff took photocopy of his Aadhar card and took his signature on a form.

Bank staff told him to deposit Rs. 50-100 in his account.

That’s all! Did his account become operative only by doing this much?

Yes, the account was activated. My husband gave details of same account to the gas agency.

Note: Bank does not charge any fee for activation of your inoperative account.
Don’t worry. Tomorrow, go to the nearest bank branch and get it exchanged.

Brother, but I don’t have a bank account in that branch.

No problem. Every bank displays it on their notice board that they exchange torn/soiled notes.

Tomorrow, I will go to the nearest bank’s branch. But what if they don’t exchange this note?

Then meet the Branch Manager and lodge your complaint.

Note: You can visit any branch of any bank to exchange your torn/soiled notes.
8. Premature withdrawal of Fixed Deposits or Loan against Fixed Deposits

Sir, what will I do if I need money before that?

That is true.

Pawan, where are you coming from?

But why don’t you make a Fixed Deposit for 1, 3 or 5 years, you will get more interest.

Savings is a good habit so that we can withdraw money when we need it.

I am coming from bank. Every month I deposit Rs. 1000 -2000 in my account so that I don’t have to borrow money at the time of my daughter’s wedding.

OK Sir. Today only I will open a Fixed Deposit account.

You can take a loan against your Fixed Deposit. You can also withdraw your money before maturity of Fixed Deposit, but in that case you will get less interest.

Note: Fixed Deposit can be closed before maturity or you can apply for a loan against it.
Whom do you want to nominate for this Fixed Deposit?

In my name for 5 years.

This Fixed Deposit will be in whose name and for how much period?

What is the benefit of nomination?

In case of depositor’s death before maturity, the Fixed Deposits can be paid before maturity.

In such case no penalty is levied.

Then I will like to nominate my wife Vinita for the same. Thank you.

Note: In case of depositor’s death, the Fixed Deposit proceeds can be paid before maturity to the nominee in the account. In such case no penalty is levied.
10. Settlement of claims in respect of deceased account holders

Sir, This aunty has lost her husband. He had opened a Fixed Deposit. She has brought Fixed Deposit Receipt.

Please show the receipt.

Aunty, please show him the receipt.

It's here.

Your husband has not done nomination in this account.

Please show the receipt.

As this account has only Rs.40,000/- so if she furnishes an attested copy of her husband’s death certificate and an affidavit according to this form, then she can be given this amount.

Then how will she get the money?

OK Sir, I and aunty will come within 2-3 days with all the documents so that she can get money.

Note: In case there is no nomination in the deposit account (upto certain limit), then the legal heirs of the depositor have to furnish death certificate, Identity proof of the claimant and an affidavit to the Bank. Bank has to pay the deposit proceeds within 15 days of lodging the claim.
Today I went to the Bank. We had opened a bank account and we got a RuPay card with that. But I didn’t get any such card.

You take your passbook to the bank and ask for RuPay card. See my card. But what is the use of this?

You can withdraw money from ATM as and when required.

Is that so? But keep this card very carefully. Don’t disclose this card number and PIN (to be given separately by the bank) to anyone.

If someone steals your card or sees your card number, then using your PIN, he can fraudulently withdraw money from your account.

Why?

Note: Do take RuPay card with your Savings Bank account but don’t disclose your RuPay card number or PIN to anyone.
12. Receiving SMS about debit from account but no cash dispensed from ATM

Brother, I have to purchase some grocery items. Just wait, I am coming after withdrawing money from ATM.

Oh no! I have received SMS about debit of Rs 1000 but ATM has not dispensed money.

Call the toll free number displayed inside the ATM. A toll free number is printed on your card, you must complain on this number.

Will I get back my Rs. 1000?

After lodging your complaint, if you don’t get back your money in your account within 7 days, then you can complain to the senior officer of the bank. His number is displayed on the board in the bank’s branch.

OK. I will wait outside.

Thank you brother for the help. I didn’t know about all this.

Note: If you receive SMS about debit from your Savings Bank account but no cash is dispensed from the ATM machine or less cash is dispensed, then lodge your complaint on the toll free number of your Bank or in the bank branch.
13. Informing Bank about loss of debit/RuPay card

Brother, today is a bad day for me. I lost my money and some important papers. Someone picked my pocket in the train.

Oh sad! What all did you lose?

Rs 400 and my RuPay card

Did you get your card blocked?

How to do it?

Then go to nearest branch of your bank and get your card blocked so that no one can misuse it. I presume you haven’t disclosed your PIN to anyone.

No brother.

Do you have that telephone number for blocking the RuPay card?

No...

You should not disclose your card number and PIN to anyone.

Note: If your debit card/RuPay card is lost, then contact on toll free number of your Bank and get your card blocked so that no one can misuse it.
14. Transferring money from one place to another within the bank

Last time when I went to my village, I opened my mother’s bank account and I had a copy of Passbook with me. Today I transferred Rs 2000 from my account at Mumbai to my mother’s account. It doesn’t take any time. I filled up the form and handed it over to counter staff. Madam there worked on the computer and in a minute I received SMS for debit of Rs2000 from my account.

I informed my mother about transfer of money. She called up now and told that she withdrew it from ATM there near the temple.

Note: You can transfer money from your bank account to any customer’s bank account of same bank within no time.
Mr Sohan, I went to bank for passbook updation but Manager told me to come afterwards as system was not working.

Today again the same thing happened and my passbook was not updated. He misbehaved with me and told me not to come again. I want to lodge a complaint against him, but don’t know where to go?

I have taken a picture of it on my mobile. Wait. I am sending it you.

Name of the senior officer is displayed in the bank branch and you can complain to him. He has to acknowledge your complaint and respond to you within the time written there.

You have solved my problem, now I will complain against this official. Have a cup of tea from my side.

Note: If you are not satisfied with any bank service, then you can contact Branch Manager or lodge your complaint on the toll free number of the Bank.
16. Single window facility for Senior citizens/Physically handicapped persons

Ramlal, can you please withdraw Rs 800 from my account, I have to purchase medicines. Will you get my passbook also updated?

Uncle, I have no problem. But today I am in a hurry. If you want, I can drop you up to the bank branch.

But there I have to stand in queue at different counters and that will be very difficult for me.

No uncle. Senior Citizens have to go to a single counter for all types of services.

I did not know about this and I had been bothering you.

Note: It is necessary for the banks to provide Single window facility for Senior Citizens/Physically handicapped persons.
Sir, uncle wants to know something.

Sir, we are in talks for marriage of our daughter with some boy who is your bank customer.

Can you please tell me balance in his account?

Sorry. We don’t share customer’s information about his deposit account, loan account, etc. with anybody, not even with his family members also.

Note: Bank does not share customer’s information about his deposit account, loan account, etc with anybody, not even with his family members also.
Thank you Sir, for the advice. Now I will invest my money after understanding properly where to invest.

Good Morning Sir. Good, I met you. I want some advice from you.

Which type of advice, Jagdish.

I want to make a Fixed Deposit of Rs. 20,000 for my daughter’s wedding. But that bank staff is telling me to purchase an insurance policy as it will benefit me more.

No Jagdish, bank cannot compel you to take a policy. Insurance policy has a lock-in period and you cannot withdraw that money if needed within that period. Money in Fixed Deposit can be withdrawn before maturity, if needed.

There are some conditions for withdrawal of money from Fixed Deposits before maturity, but still you can withdraw money if needed.

Note: Deposit your money in such deposits/schemes which you understand. Invest in insurance policy and mutual funds only if you have knowledge about the same as investment in them is subject to market risks and many terms and conditions. Bank staff cannot compel you to purchase insurance policy or mutual fund.

Does anybody know how a business correspondent or facilitator help you in banking?

No Sir.

Where there is no bank branch, bank takes help from business correspondent or facilitator.

Sir, how do they help the customers?

They can help in account opening, depositing or withdrawing money, transfer of money from one place to another, etc.

But how will people trust that they are Bank’s representatives?

They are local residents and they have authority letter issued by bank.

Note: Business correspondent or facilitator provides services at such places where there is no banking facility.
Important points for customers

1. Opening of BSBD – small account, is very easy.

2. Before opening deposit account, read and understand its special conditions.

3. Make nomination in Savings and Fixed deposit (Term deposit) accounts.

4. Withdrawal can be done from Fixed Deposit (Term deposit) before maturity and loan can be taken against it.

5. Do take ATM / RuPay card along with your Savings Bank account so that you can easily withdraw money.

6. Handle your ATM/Rupay card carefully. Don’t disclose its number and PIN to anyone (not even bank officials).

7. If your ATM/Rupay card is lost or you receive SMS about debit from your account without withdrawing money, then inform your bank immediately.

8. Do some transactions in Savings Bank account regularly. You should do at least one credit/debit transaction in your account at least once in 2 years to keep it operative.

9. If you have any problem in any of the bank service or you want to lodge a complaint then complain to Branch Manager or at toll free number of the Bank.

10. It is important for the banks to provide all facilities on a single counter to Senior Citizens/Physically handicapped persons.

11. Business correspondent or facilitator provides services at such places where there is no banking facility.

12. Banking Code tells you about your rights to get fair treatment from Banks for all services available in a transparent manner. You must be aware of Banking Codes of Commitment to customers.

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Disclaimer
The purpose of this magazine is to educate customers about different banking services provided and their rights. Readers are advised to use this information prudently.

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